

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 209

BY REVENUE AND TAXATION COMMITTEE

AN ACT

RELATING TO EXEMPTIONS FROM PROPERTY TAXATION; AMENDING CHAPTER 6, TITLE 63, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 63-60200, IDAHO CODE, TO PROVIDE THAT CERTAIN ENERGY PROPERTY SHALL BE EXEMPT FROM TAXATION, TO PROVIDE APPLICATION IF THE PROPERTY IS EXEMPT FROM TAXATION BY OTHER LAW, TO PROVIDE APPLICATION, TO PROVIDE THAT THE EXEMPTION IS NECESSARY AND JUST, TO PROVIDE A SUNSET DATE AND TO PROVIDE AN EXCEPTION TO THIS SUNSET DATE; DECLARING AN EMERGENCY AND PROVIDING RETROACTIVE APPLICATION.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Chapter 6, Title 63, Idaho Code, be, and the same is hereby amended by the addition thereto of a NEW SECTION, to be known and designated as Section 63-60200, Idaho Code, and to read as follows:

63-60200. PROPERTY EXEMPT FROM TAXATION – FACILITIES QUALIFYING FOR ENERGY CREDIT. (1) For taxable years 2009 through and including taxable year 2018, the following property is exempt from taxation: Energy property pursuant to subsection (a)(3)(A)(i), (ii) and (iii) of 26 U.S.C. 48, as in effect on January 1, 2009, low impact hydro, which means an electric generating facility located on the taxpayer's property utilizing water for the generation of electricity, housed in existing canals or existing reservoirs, and having a power production capacity, wind or geothermal resource, as defined in section 42-4002, Idaho Code, primarily to provide heating, to provide cooling, to produce electrical power, or any combination thereof. The state tax commission or county assessor shall determine the exempt portion pursuant to this section. If property exempt pursuant to this section is also exempt from taxation pursuant to another section, the taxpayer must elect which exemption to take. For purposes of this section, an exemption from property tax shall not be allowed if the taxpayer sells the energy produced from the equipment in commerce other than as a credit against a bill from a commercial power supplier.

(2) The legislature declares this exemption necessary and just.

(3) If a taxpayer installs property that meets the requirements of this section from January 1, 2009, through December 31, 2018, the taxpayer shall retain the exemption provided by this section as long as property continues to produce energy and would otherwise qualify under this section.

SECTION 2. An emergency existing therefor, which emergency is hereby declared to exist, this act shall be in full force and effect on and after its passage and approval, and retroactively to January 1, 2009.